



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB2554

Introduced 1/29/2020, by Sen. Heather A. Steans

#### SYNOPSIS AS INTRODUCED:

15 ILCS 20/50-40  
30 ILCS 105/6z-51  
30 ILCS 122/15  
30 ILCS 122/20

Amends the State Budget Law of the Civil Administrative Code of Illinois. Provides that "general funds" or "State general funds" as used under the Act includes the Pension Stabilization Fund. Amends the State Finance Act. Provides that for fiscal year 2022 and subsequent fiscal years, any transfers into the Budget Stabilization Fund may be transferred to the General Revenue Fund in order for the Comptroller to address outstanding vouchers, and shall not be subject to repayment into the Budget Stabilization Fund if the bill backlog as determined by the Comptroller on June 30 of that fiscal year exceeds \$4,000,000,000. Amends the Budget Stabilization Act. Modifies provisions concerning requirements for and transfers into the Budget Stabilization Fund and the Pension Stabilization Fund regarding the State's backlog of bills. Effective immediately.

LRB101 17511 RJF 66922 b

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The State Budget Law of the Civil Administrative  
5 Code of Illinois is amended by changing Section 50-40 as  
6 follows:

7 (15 ILCS 20/50-40)

8 Sec. 50-40. General funds defined. "General funds" or  
9 "State general funds" means the General Revenue Fund, the  
10 Common School Fund, the General Revenue Common School Special  
11 Account Fund, the Education Assistance Fund, the Fund for the  
12 Advancement of Education, the Commitment to Human Services  
13 Fund, ~~and~~ the Budget Stabilization Fund, and the Pension  
14 Stabilization Fund.

15 (Source: P.A. 100-23, eff. 7-6-17.)

16 Section 10. The State Finance Act is amended by changing  
17 Section 6z-51 as follows:

18 (30 ILCS 105/6z-51)

19 Sec. 6z-51. Budget Stabilization Fund.

20 (a) The Budget Stabilization Fund, a special fund in the  
21 State Treasury, shall consist of moneys appropriated or

1 transferred to that Fund, as provided in Section 6z-43 and as  
2 otherwise provided by law. All earnings on Budget Stabilization  
3 Fund investments shall be deposited into that Fund.

4 (b) The State Comptroller may direct the State Treasurer to  
5 transfer moneys from the Budget Stabilization Fund to the  
6 General Revenue Fund in order to meet cash flow deficits  
7 resulting from timing variations between disbursements and the  
8 receipt of funds within a fiscal year. Any moneys so borrowed  
9 in any fiscal year other than Fiscal Year 2011 and other than  
10 as provided in subsection b-5 shall be repaid by June 30 of the  
11 fiscal year in which they were borrowed. Any moneys so borrowed  
12 in Fiscal Year 2011 shall be repaid no later than July 15,  
13 2011.

14 (b-5) For fiscal year 2022 and subsequent fiscal years, any  
15 transfers into the Budget Stabilization Fund pursuant to  
16 Section 15 of the Budget Stabilization Act may be transferred  
17 to the General Revenue Fund in order for the Comptroller to  
18 address outstanding vouchers, and shall not be subject to  
19 repayment into the Budget Stabilization Fund if the bill  
20 backlog as determined by the Comptroller on June 30 of that  
21 fiscal year exceeds \$4,000,000,000.

22 (c) During Fiscal Year 2017 only, amounts may be expended  
23 from the Budget Stabilization Fund only pursuant to specific  
24 authorization by appropriation. Any moneys expended pursuant  
25 to appropriation shall not be subject to repayment.

26 (d) For Fiscal Year 2020, and beyond, any transfers into

1 the Fund pursuant to the Cannabis Regulation and Tax Act may be  
2 transferred to the General Revenue Fund in order for the  
3 Comptroller to address outstanding vouchers and shall not be  
4 subject to repayment back into the Budget Stabilization Fund.  
5 (Source: P.A. 101-10, eff. 6-5-19.)

6 Section 15. The Budget Stabilization Act is amended by  
7 changing Sections 15 and 20 as follows:

8 (30 ILCS 122/15)

9 Sec. 15. Transfers to Budget Stabilization Fund. In  
10 furtherance of the State's objective for the Budget  
11 Stabilization Fund to have resources representing 5% of the  
12 State's annual general funds revenues:

13 (a) On January 10, 2021, and for each January 10  
14 thereafter, the Department on Aging, the Department of  
15 Healthcare and Family Services, and the Department of Human  
16 Services shall certify to the Comptroller the amount of  
17 invoices that may be paid from appropriations in future fiscal  
18 years resulting from insufficient appropriations in the  
19 current fiscal year. The Department of Central Management  
20 Services shall also certify the amount of invoices that may be  
21 paid from appropriations in future fiscal years due to  
22 insufficient resources in the Health Insurance Reserve Fund,  
23 and the Department of Revenue shall certify an estimate of the  
24 amount of individual and corporate income tax overpayments that

1 will not be refunded before the close of the current fiscal  
2 year resulting from insufficient deposits into the Income Tax  
3 Refund Fund. The Comptroller's Debt Transparency Report shall  
4 detail the total value of the amounts certified by the  
5 Department on Aging and the Departments of Central Management  
6 Services, Healthcare and Family Services, Human Services, and  
7 Revenue. The report shall also include the liabilities payable  
8 with the Comptroller at the close of business on December 31,  
9 2020 and for each December 31 thereafter. For each fiscal year  
10 ~~when the General Assembly's appropriations and transfers or~~  
11 ~~diversions as required by law from general funds do not exceed~~  
12 ~~99% of the estimated general funds revenues pursuant to~~  
13 ~~subsection (a) of Section 10, the Comptroller shall transfer~~  
14 ~~from the General Revenue Fund as provided by this Section a~~  
15 ~~total amount equal to 0.5% of the estimated general funds~~  
16 ~~revenues to the Budget Stabilization Fund.~~

17 (b) Beginning May 15, 2021, and for each May 15 thereafter,  
18 the Comptroller shall report to the Governor and the General  
19 Assembly the estimated backlog of bills for the end of the  
20 current fiscal year. If the amount of the backlog of bills  
21 reported by the Comptroller on June 30, 2021 and each June 30  
22 thereafter is an amount less than \$3,000,000,000, on the last  
23 day of each month of the next fiscal year, or as soon  
24 thereafter as possible, the Comptroller shall order  
25 transferred and the Treasurer shall transfer from the General  
26 Revenue Fund to the Budget Stabilization Fund the lesser of (i)

1 \$200,000,000 or (ii) the amount necessary to maintain resources  
2 in the Budget Stabilization Fund that is equal to 5% of the  
3 total general funds revenues of the prior fiscal year, in equal  
4 monthly installments. Nothing in this Section prohibits the  
5 General Assembly from appropriating additional moneys into the  
6 Budget Stabilization Fund; however, transfers or  
7 appropriations shall only be made from the Budget Stabilization  
8 Fund under subsection (d) of this Section. ~~For each fiscal year~~  
9 ~~when the General Assembly's appropriations and transfers or~~  
10 ~~diversions as required by law from general funds do not exceed~~  
11 ~~98% of the estimated general funds revenues pursuant to~~  
12 ~~subsection (b) of Section 10, the Comptroller shall transfer~~  
13 ~~from the General Revenue Fund as provided by this Section a~~  
14 ~~total amount equal to 1% of the estimated general funds~~  
15 ~~revenues to the Budget Stabilization Fund.~~

16 (c) ~~The Comptroller shall transfer 1/12 of the total amount~~  
17 ~~to be transferred each fiscal year under this Section into the~~  
18 ~~Budget Stabilization Fund on the first day of each month of~~  
19 ~~that fiscal year or as soon thereafter as possible.~~ The balance  
20 of the Budget Stabilization Fund shall not exceed 5% of the  
21 total of general funds revenues estimated for that fiscal year.  
22 If the balance of the Budget Stabilization Fund is equal to 5%  
23 of the total general funds revenues of the prior fiscal year,  
24 no further transfers shall be made to the Budget Stabilization  
25 Fund. If the amounts certified to the Comptroller that may be  
26 paid from future fiscal year resources by the Department on

1 Aging and the Departments of Central Management Services,  
2 Healthcare and Family Services, Human Services, and Revenue  
3 exceed zero, the Comptroller shall order transferred and the  
4 Treasurer shall transfer from the General Revenue Fund to the  
5 Health Insurance Reserve Fund, the Healthcare Provider Relief  
6 Fund, or the Income Tax Refund Fund an amount necessary to  
7 reduce those amounts to zero, but not to exceed a monthly  
8 aggregate of \$16,666,666 ~~except as provided by subsection (d)~~  
9 ~~of this Section.~~

10 (d) Upon written notice from the Governor to the Clerk of  
11 the House of Representatives, the Secretary of the Senate, and  
12 the Secretary of State pursuant to Section 1.1 of the Short  
13 Term Borrowing Act, the Comptroller may cease the order of any  
14 further transfers to the Budget Stabilization Fund and may  
15 order the transfer and the Treasurer shall transfer from the  
16 Budget Stabilization Fund to the General Revenue Fund an amount  
17 deemed necessary to maintain the State's backlog of bills to an  
18 amount below \$3,000,000,000. If the written notice has been  
19 provided, the General Assembly may make transfers or  
20 appropriations from the Budget Stabilization Fund for the  
21 upcoming fiscal year as necessary to provide for the health,  
22 safety, and welfare of the people of the State of Illinois. ~~If~~  
23 ~~the balance of the Budget Stabilization Fund exceeds 5% of the~~  
24 ~~total general funds revenues estimated for that fiscal year,~~  
25 ~~the additional transfers are not required unless there are~~  
26 ~~outstanding liabilities under Section 25 of the State Finance~~

1 ~~Act from prior fiscal years. If there are such outstanding~~  
2 ~~Section 25 liabilities, then the Comptroller shall continue to~~  
3 ~~transfer 1/12 of the total amount identified for transfer to~~  
4 ~~the Budget Stabilization Fund on the first day of each month of~~  
5 ~~that fiscal year or as soon thereafter as possible to be~~  
6 ~~reserved for those Section 25 liabilities. Nothing in this Act~~  
7 ~~prohibits the General Assembly from appropriating additional~~  
8 ~~moneys into the Budget Stabilization Fund.~~

9 (e) (Blank). ~~On or before August 31 of each fiscal year,~~  
10 ~~the amount determined to be transferred to the Budget~~  
11 ~~Stabilization Fund shall be reconciled to actual general funds~~  
12 ~~revenues for that fiscal year. The final transfer for each~~  
13 ~~fiscal year shall be adjusted so that the total amount~~  
14 ~~transferred under this Section is equal to the percentage~~  
15 ~~specified in subsection (a) or (b) of this Section, as~~  
16 ~~applicable, based on actual general funds revenues calculated~~  
17 ~~consistently with subsection (c) of Section 10 of this Act for~~  
18 ~~each fiscal year.~~

19 (f) For the fiscal year beginning July 1, 2006 and for each  
20 fiscal year thereafter, the budget proposal to the General  
21 Assembly shall identify liabilities incurred in a prior fiscal  
22 year under Section 25 of the State Finance Act and the budget  
23 proposal shall provide funding as allowable pursuant to  
24 subsection (d) of this Section, if applicable.

25 (Source: P.A. 93-660, eff. 7-1-04; 94-839, eff. 6-6-06.)



1 (30 ILCS 122/20)

2 (Text of Section WITH the changes made by P.A. 98-599,  
3 which has been held unconstitutional)

4 Sec. 20. Pension Stabilization Fund.

5 (a) The Pension Stabilization Fund is hereby created as a  
6 special fund in the State treasury. Moneys in the fund shall be  
7 used for the sole purpose of making payments to the designated  
8 retirement systems as provided in Section 25.

9 (b) For each fiscal year through State fiscal year 2014,  
10 when the General Assembly's appropriations and transfers or  
11 diversions as required by law from general funds do not exceed  
12 99% of the estimated general funds revenues pursuant to  
13 subsection (a) of Section 10, the Comptroller shall transfer  
14 from the General Revenue Fund as provided by this Section a  
15 total amount equal to 0.5% of the estimated general funds  
16 revenues to the Pension Stabilization Fund.

17 (c) For each fiscal year through State fiscal year 2014,  
18 when the General Assembly's appropriations and transfers or  
19 diversions as required by law from general funds do not exceed  
20 98% of the estimated general funds revenues pursuant to  
21 subsection (b) of Section 10, the Comptroller shall transfer  
22 from the General Revenue Fund as provided by this Section a  
23 total amount equal to 1.0% of the estimated general funds  
24 revenues to the Pension Stabilization Fund.

25 (c-5) In addition to any other amounts required to be  
26 transferred under this Section, in State fiscal year 2016 and

1 each fiscal year thereafter through State fiscal year 2045, or  
2 when each of the designated retirement systems, as defined in  
3 Section 25, has achieved 100% funding, whichever occurs first,  
4 the State Comptroller shall order transferred and the State  
5 Treasurer shall transfer from the General Revenue Fund to the  
6 Pension Stabilization Fund an amount equal to 10% of (1) the  
7 sum of the amounts certified by the designated retirement  
8 systems under subsection (a-5) of Section 2-134, subsection  
9 (a-10) of Section 14-135.08, subsection (a-10) of Section  
10 15-165, and subsection (a-10) of Section 16-158 of this Code  
11 for that fiscal year minus (2) the sum of (i) the transfer  
12 required under subsection (c-10) of this Section for that  
13 fiscal year and (ii) the sum of the required State  
14 contributions certified by the retirement systems under  
15 subsection (a) of Section 2-134, subsection (a-5) of Section  
16 14-135.08, subsection (a-5) of Section 15-165, and subsection  
17 (a-5) of Section 16-158 of this Code for that fiscal year. The  
18 transferred amount is intended to represent one-tenth of the  
19 annual savings to the State resulting from the enactment of  
20 this amendatory Act of the 98th General Assembly.

21 (c-10) In State fiscal year 2019, the State Comptroller  
22 shall order transferred and the State Treasurer shall transfer  
23 \$364,000,000 from the General Revenue Fund to the Pension  
24 Stabilization Fund. In State fiscal year 2020 and each fiscal  
25 year thereafter until terminated under subsection (c-15), the  
26 State Comptroller shall order transferred and the State

1 Treasurer shall transfer \$1,000,000,000 from the General  
2 Revenue Fund to the Pension Stabilization Fund.

3 (c-15) The transfers made beginning in State fiscal year  
4 2020 pursuant to subsection (c-10) of this Section shall  
5 terminate at the end of State fiscal year 2045 or when each of  
6 the designated retirement systems, as defined in Section 25,  
7 has achieved 100% funding, whichever occurs first.

8 (d) The Comptroller shall transfer 1/12 of the total amount  
9 to be transferred each fiscal year under this Section into the  
10 Pension Stabilization Fund on the first day of each month of  
11 that fiscal year or as soon thereafter as possible; except that  
12 the final transfer of the fiscal year shall be made as soon as  
13 practical after the August 31 following the end of the fiscal  
14 year.

15 Until State fiscal year 2015, before the final transfer for  
16 a fiscal year is made, the Comptroller shall reconcile the  
17 estimated general funds revenues used in calculating the other  
18 transfers under this Section for that fiscal year with the  
19 actual general funds revenues for that fiscal year. The final  
20 transfer for the fiscal year shall be adjusted so that the  
21 total amount transferred under this Section for that fiscal  
22 year is equal to the percentage specified in subsection (b) or  
23 (c) of this Section, whichever is applicable, of the actual  
24 general funds revenues for that fiscal year. The actual general  
25 funds revenues for the fiscal year shall be calculated in a  
26 manner consistent with subsection (c) of Section 10 of this

1 Act.

2 (Source: P.A. 98-599, eff. 6-1-14.)

3 (Text of Section WITHOUT the changes made by P.A. 98-599,  
4 which has been held unconstitutional)

5 Sec. 20. Pension Stabilization Fund.

6 (a) The Pension Stabilization Fund is hereby created as a  
7 special fund in the State treasury. Moneys in the fund shall be  
8 used for the sole purpose of making payments to the designated  
9 retirement systems as provided in Section 25.

10 (b) If the amount of the backlog of bills reported by the  
11 Comptroller on June 30, 2021 and for each June 30 thereafter is  
12 an amount less than \$3,000,000,000, on the last day of each  
13 month of the next fiscal year, or as soon thereafter as  
14 possible, the Comptroller shall order transferred and the  
15 Treasurer shall transfer from the General Revenue Fund to the  
16 Pension Stabilization Fund \$200,000,000 in equal monthly  
17 installments. ~~For each fiscal year when the General Assembly's~~  
18 ~~appropriations and transfers or diversions as required by law~~  
19 ~~from general funds do not exceed 99% of the estimated general~~  
20 ~~funds revenues pursuant to subsection (a) of Section 10, the~~  
21 ~~Comptroller shall transfer from the General Revenue Fund as~~  
22 ~~provided by this Section a total amount equal to 0.5% of the~~  
23 ~~estimated general funds revenues to the Pension Stabilization~~  
24 ~~Fund.~~

25 (c) (Blank). ~~For each fiscal year when the General~~

1 ~~Assembly's appropriations and transfers or diversions as~~  
2 ~~required by law from general funds do not exceed 98% of the~~  
3 ~~estimated general funds revenues pursuant to subsection (b) of~~  
4 ~~Section 10, the Comptroller shall transfer from the General~~  
5 ~~Revenue Fund as provided by this Section a total amount equal~~  
6 ~~to 1.0% of the estimated general funds revenues to the Pension~~  
7 ~~Stabilization Fund.~~

8 (d) (Blank). ~~The Comptroller shall transfer 1/12 of the~~  
9 ~~total amount to be transferred each fiscal year under this~~  
10 ~~Section into the Pension Stabilization Fund on the first day of~~  
11 ~~each month of that fiscal year or as soon thereafter as~~  
12 ~~possible; except that the final transfer of the fiscal year~~  
13 ~~shall be made as soon as practical after the August 31~~  
14 ~~following the end of the fiscal year.~~

15 ~~Before the final transfer for a fiscal year is made, the~~  
16 ~~Comptroller shall reconcile the estimated general funds~~  
17 ~~revenues used in calculating the other transfers under this~~  
18 ~~Section for that fiscal year with the actual general funds~~  
19 ~~revenues for that fiscal year. The final transfer for the~~  
20 ~~fiscal year shall be adjusted so that the total amount~~  
21 ~~transferred under this Section for that fiscal year is equal to~~  
22 ~~the percentage specified in subsection (b) or (c) of this~~  
23 ~~Section, whichever is applicable, of the actual general funds~~  
24 ~~revenues for that fiscal year. The actual general funds~~  
25 ~~revenues for the fiscal year shall be calculated in a manner~~  
26 ~~consistent with subsection (c) of Section 10 of this Act.~~

1 (Source: P.A. 94-839, eff. 6-6-06.)

2 Section 99. Effective date. This Act takes effect upon  
3 becoming law.